



U.S. Department of Housing and Urban Development  
National Servicing and Loss Mitigation Center  
500 W. Main Street, Suite 400  
Oklahoma City, OK 73102-2233  
1-888 297-8685  
<http://www.hud.gov/local/okl/slm/mitihome.html>

April 6, 2000

TO: Lenders servicing FHA mortgages within the city of Baltimore, Maryland

SUBJECT: **Moratorium on foreclosures on FHA mortgages in Baltimore, Maryland**

As a part of the Secretary's effort to review predatory lending practices as they relate to loan originations, effective today, the Department of Housing and Urban Development is placing a temporary moratorium on foreclosures. This moratorium is similar to moratoriums declared due to Federal National Disasters (See HUD Handbook 4330.1 Rev-5, chapter 14) on properties insured by FHA that are located within the city limits of Baltimore, Maryland. This moratorium applies to the initiating of foreclosures and suspension of foreclosures already in process. This moratorium notification will be in effect for ninety (90) days.

In those cases where the moratorium causes the initiation of foreclosure to occur past the normal deadline of six months after the date of default, the Department will grant an extension of up to ninety (90) days for the mortgagee to initiate foreclosure. Extensions must be requested in writing from the Servicing and Loss Mitigation Center in Oklahoma City. Our phone number is 888 297-8685 and Fax number is 405 553-7405.

Please mail or fax, to my attention, a list of all mortgages your company services affected by this moratorium. This list should include borrower name, address, account number and FHA case number. If you have recently sold or transferred servicing rights of any mortgages affected by this moratorium, please provide us a list of these mortgages, including the new lender's contact information, as well as providing the new lender a copy of this letter.

In addition to the moratorium, HUD recommends loss mitigation servicing actions for homeowners. This includes such actions as special forbearance, mortgage modifications, refinancing, partial claims. Other alternatives such as deeds-in-lieu and pre-foreclosure sales should be encouraged if the homeowner is not in a position to cure

the mortgage delinquency. The maximum pre-foreclosure sales period can be extended by an additional 60 days to allow sufficient time to market the property.

Sincerely,

Michael B. O'Donnell  
Director, Servicing and  
Loss Mitigation Center